

I CLAIM

1. A method of defining an exchange-traded fund, which comprises:

searching for publicly traded securities and a history of dividend yields associated with the respective securities;

sorting the securities relative to an amount of the associated dividend yields, and rating the securities based on the associated dividend yields;

placing a plurality of the securities into the exchange-traded fund and weighting the individual securities within the exchange-traded fund in accordance with the associated dividend yields; and

offering for sale shares in the exchange-traded fund.

2. The method according to claim 1, wherein the searching step comprises also searching for a price-earnings ratio associated with the respective securities, and weighting the respective securities in the exchange-traded fund with the price-earnings ratio and the amount of the associated dividend yields.

3. A computer-readable medium having computer-executable instructions for performing the method according to claim 1.

4. A computer programmed to perform the method according to claim 1.

5. A virtual securities broker for assisting a customer in generating and purchasing a dividend-weighted fund instrument from a merchant, comprising:

a database containing customer information with identification and preferences related to the customer;

a client system for prompting the customer to select a predefined set of dividend-yielding securities or to input parameters for a new search defining a new set of dividend-yielding securities;

a server system programmed to search, via the Internet, a current state of the predefined set of dividend-yielding securities or within the parameters entered in said client system by the customer and to transmit a search result to said client system; and

a purchase processing system, connected to said server system and adapted to receive a purchase order from the customer via said client system, for the dividend-yielding securities and to fill the purchase order.

6. The virtual securities broker according to claim 5, wherein said server system is configured to search for stocks including a stock price and a history of dividend distributions, said client system is configured to display to the customer a percentage dividend yield defined by a percentage ratio of past dividend distribution over a given period of time relative to the price of the security.

7. A computer-readable medium having computer-executable instructions for implementing the virtual securities broker according to claim 4.

8. In an electronic commerce system having a computer system configured to search for securities, a history of dividend yields associated with the respective securities, and price-earnings ratios associated with the respective securities, a method of generating and offering for sale an exchange-traded fund, which comprises:

upon receiving an initiation request from a customer, checking a database containing customer information with identification and preferences related to the customer;

prompting the customer to select a predefined set of dividend-yielding securities or to input parameters for a new search defining a new set of dividend-yielding securities;

searching for securities matching the parameters associated with the set of dividend-yielding securities, placing a plurality of the securities into the exchange-traded fund, weighting the individual securities within the exchange-traded fund in accordance with the associated dividend yields, and rating the securities based on an amount of the associated dividend yields; and

offering for sale shares in the exchange-traded fund.

9. The method according to claim 8, wherein the searching step comprises also searching for a price-earnings ratio associated with the respective securities, and weighting the respective securities in the exchange-traded fund with the price-earnings ratio and the amount of the associated dividend yields.

10. A method of placing an order in a securities-trading system having a server system connected in a network and a client system connected to the server system, which comprises:

under control of the client system, prompting a user for input selecting from available securities with a history of dividend distribution;

under control of the server system, searching the network for securities matching the user's search parameters and transmitting search results to the client system;

under control of the client system, displaying the search results to the user and prompting the user for further action, the further action including further input for a new search and placing a purchase order for a security or a collection of securities having a history of dividend distribution satisfying the user's search parameters.

11. The method according to claim 10, which comprises prompting the user for input selecting either a predefined selection of dividend-yielding securities or a specific set of parameters for defining a new selection.

12. The method according to claim 10, wherein the specific set of parameters includes a percentage yield defined by a percentage ratio of past dividend distribution over a given period of time relative to a price of the security.

13. A computer system interconnected and programmed to perform the method according to claim 10.

14. A computer-readable medium having computer-executable instructions for implementing the method according to claim 10.